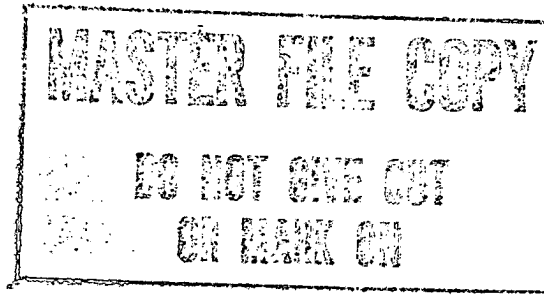




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Geydar Aliyev: His New Role in the USSR Council of Ministers

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A Research Paper

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October 1983

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Geydar Aliyev: His New Role in the USSR Council of Ministers

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A Research Paper

This paper was prepared by [redacted] with
a contribution by [redacted] both of the Office of
Soviet Analysis. Comments and queries are
welcome and may be addressed to the Chief, Policy
Analysis Division, SOVA, [redacted]

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**Geydar Aliyev:
His New Role in the USSR
Council of Ministers**

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Key Judgments

*Information available
as of 20 September 1983
was used in this report.*

Geydar Aliyev, former KGB chief in Azerbaijan and the head of the Communist Party of Azerbaijan, became First Deputy Chairman of the USSR Council of Ministers and a full Politburo member in November 1982—one of the first personnel changes announced after the Andropov succession. Although his promotion probably was in process before Andropov became General Secretary, Aliyev's focus on discipline and anticorruption in Azerbaijan was in harmony with Andropov's new policies. Whatever the political chemistry, Aliyev's leadership in Azerbaijan when this republic achieved an impressive economic record was probably sufficient to recommend him for a job in Moscow as a national economic manager.

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The Azerbaijani economy grew substantially during Aliyev's years in power, both in industry and agriculture. Comparing economic performance in Azerbaijan with that in the USSR and Georgia, a neighboring republic, Azerbaijani growth was impressive. The sources of growth were increased inputs of manpower and capital, but most important was a healthy boost in productivity.

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Much of the republic's economic growth can be attributed to centrally made economic decisions and the fortuitous conjunction of such economic factors as increased capital and labor supply. As party chief, Aliyev was in a good position to influence these growth factors. His style of leadership appears to have been an important ingredient in Azerbaijan's economic success. Three major initiatives marked his tenure:

- A massive campaign against corruption.
 - An effort to build the national leadership's confidence in him and in Azerbaijan.
 - An effort to personally master the operation of the Azerbaijani economy and a demand that subordinates also be well informed and in control.
- Aliyev's career advancement, as well as special public recognition by the leadership on numerous occasions, indicated that Moscow was indeed impressed with his performance.

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Some of Aliyev's skills and experience clearly can be transplanted to his position on the Council of Ministers. For example, his personal attributes—such as his talent for organization and administration, his shrewd political sense, and his ability to reduce corruption in management—are equally applicable at the regional and national levels of the economy.

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Most of Aliyev's experience in Azerbaijan, however, seems ill suited to the national level. The Azerbaijani economy is more like that of a Third World country than that of the Soviet Union. For example, the growth in Azerbaijan's birth rate and labor force has remained high, while most of the USSR is attempting to conserve scarce labor resources. Moreover, Aliyev's economic experience in Azerbaijan is not especially relevant to the central economic problem that the Soviet leadership now confronts—making a successful transition from extensive (increased inputs) to intensive (better use of inputs) growth. The republic has been blessed with ample economic inputs and has not been forced to face a stubborn decline in the growth of productivity. Perhaps because of this, Aliyev has never been known as an innovator or one who has thought deeply about ways to overcome systemic weaknesses. His speeches reveal shallowness and a desire to follow whatever course Moscow lays down—unfortunate qualities in one now expected to take a lead in solving the country's economic problems. [REDACTED]

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So far Aliyev appears to have settled securely into the Council of Ministers, where his main portfolio is transportation. Andropov has given priority to this sector's improvement and may believe that Aliyev's managerial skills can help. Aliyev apparently has not received specific assignments to deal with corruption and discipline, as had been widely rumored at the time of his appointment. [REDACTED]

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The selection of Aliyev in June 1983 to present the new law on labor collectives to the Supreme Soviet is one indication that he may be given broader responsibilities; he could acquire substantial power in his current position. The Council of Ministers itself appears to be gaining prestige under Andropov; four members are also Politburo members. Moreover, Andropov's June speech implied that the governmental apparatus might be less subject to interference from party managers than it was under Brezhnev. [REDACTED]

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Although Aliyev has been frequently rumored to be a candidate to become Chairman of the Council of Ministers (Premier) should Tikhonov depart, such an appointment does not appear to be imminent. Thus far Aliyev has neither the economic expertise nor the political backing necessary for the job. In time he may acquire both. His willingness to learn in new situations, as he did upon becoming party chief in Azerbaijan, may qualify him for leadership of the Council of Ministers. His managerial competence and political acumen, especially the ability to ingratiate himself with his superiors, may win Andropov's confidence. Moreover, the deputy chairman slot has in recent years been the steppingstone to the post of premier, and there are only a few other obvious candidates (principally party secretary Dolgikh and Ukrainian party boss Shcherbitskiy). Even so, Aliyev must still overcome the handicap of his ethnic background—traditionally a serious barrier to the assumption of the top government and party post. 25X1

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Geydar Ali Rza ogly Aliyev

Sovfoto/Eastfoto ©

Current Position *Member, Politburo, CPSU Central Committee
First Deputy Chairman, USSR Council of Ministers*

Born *10 May 1923*

Place of Birth *Nakhichevan Autonomous Republic, Azerbaijan*

Nationality *Azeri*

Education *Degree in history from Azerbaijan State University, 1957*

Career *1941-69—served in succession of posts with the People's Commissariat of Internal Affairs (NKVD), the Ministry of State Security (MGB), the Ministry of Internal Affairs (MVD), and the Committee for State Security (KGB), all in Azerbaijan, culminating as chief of Azerbaijan's KGB during 1967-69.
1945—became a party member.
1969-82—served as first secretary of the Central Committee of the Azerbaijan Communist Party.
1971—became a full member of the CPSU Central Committee.
1976—became a candidate member of the Politburo.
November 1982—became a full Politburo member and First Deputy Chairman of the USSR Council of Ministers.*

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**Geydar Aliyev:
His New Role in the USSR
Council of Ministers**

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Introduction

Geydar Aliyev was chief of the Azerbaijan Communist Party from July 1969 to November 1982 and before that a professional KGB officer in the same republic. Because of the relatively minor position Azerbaijan holds both economically and politically, scant attention was paid in the West to Aliyev's career. In November 1982, however, at the first Central Committee plenum following the Andropov succession, Aliyev was elevated to the status of full Politburo member and to First Deputy Chairman of the USSR Council of Ministers. The political and economic significance of such a move to the center of power justifies a closer look at this Soviet leader—specifically, at whether he would be an effective national economic manager.

This paper examines the four areas that should help determine Aliyev's potential impact in his new job:

- The economic record of Azerbaijan before and after Aliyev's appointment as party chief, comparing its economic growth with that of the country as a whole and with neighboring Georgia and analyzing its pattern and sources of growth.
- The extent to which Aliyev can be personally credited with his republic's economic achievements and Moscow's perceptions of his performance.
- The transferability of Aliyev's leadership and experience in Azerbaijan to the national level, with particular attention to the relevance of that experience to the problems he will encounter in his role in the Council of Ministers.
- The political clout that Aliyev is likely to gain in his new position and his chances for broadening his powers and responsibilities.

The Economic Record

Azerbaijan is a small republic; it contributes only 2 percent of the USSR's net material product (NMP).¹ Agriculture contributes about 25 percent of

¹ Net material product is similar to the Western concept of GNP, the primary difference being that it does not include most services, such as health and education.

Table 1

Percent

**Azerbaijan: Average Annual Growth
of Selected Economic Indicators ^a**

	1961-69	1970-72	1973-81
Gross social product	5.6	5.4	8.2
Of which:			
Industry	6.7	6.2	8.9
Fuels	2.1	2.4	0.1
Machinery	11.2	8.4	13.6
Chemicals	13.3	10.7	9.3
Light industry	5.8	6.9	8.8
Food industry	7.1	6.2	10.7
Agriculture	1.2	6.6	9.3
Crops	1.7	7.8	10.9
Animal husbandry	0.3	4.6	5.0

^a Official Soviet data.

Azerbaijan's NMP compared with 15 percent of the USSR's; some 47 percent of the republic's population still live in rural areas compared with 37 percent in the USSR. Per capita national income is among the lowest—in 1981 it was 1,520 rubles compared with 1,790 rubles for the nation as a whole.

Soviet statistics ² show that the Azerbaijani economy grew substantially during Aliyev's years in power, notably during the period 1973-81 compared with 1961-72 (see table 1). Both the industrial and agricultural sectors registered sharp increases in growth. This record is particularly striking when compared with the decreasing national growth rate. But individual republics, such as neighboring Georgia, also experienced high rates of growth (see figure 1). Some of

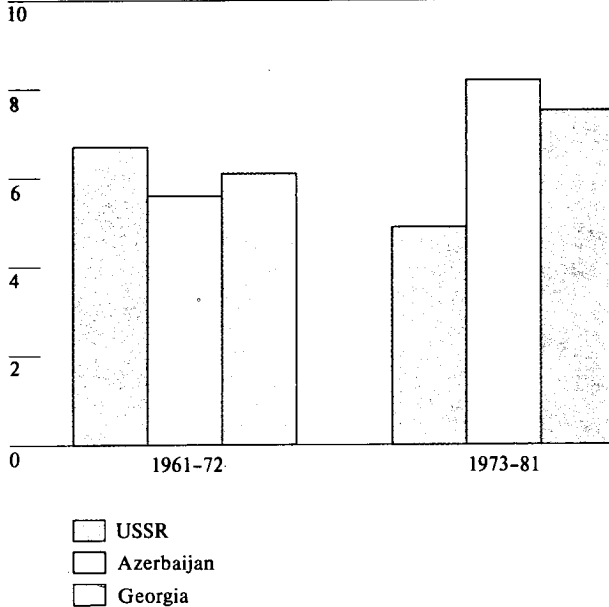
² This paper uses official Soviet data, primarily from the annual statistical handbooks. We believe that inflation and other problems in the data result in overstated growth rates, but they probably reflect comparative trends in regional and national growth with fair accuracy.

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Figure 1
Comparative Rates of Growth for
Gross Social Product^a

Average annual percent

^a Official Soviet data.

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this spurt resulted from the increased rate of growth in factor inputs (a larger supply of land, labor, and capital) (see figure 2). The most significant change, however, was the large boost in the rate of growth of productivity. This growth varied greatly among the economic sectors—it was most rapid in the machinery industry and actually fell in the fuels sector.

Comparing economic performance in Azerbaijan with that in both the USSR and Georgia during 1973-81, Azerbaijani growth was again impressive (see table 2). Average annual growth in inputs (capital and labor combined) in Azerbaijan clearly exceeded that of the USSR and Georgia. While the growth in capital alone was not outstanding, Azerbaijani investment grew at an average annual rate of 8.8 percent compared with 4.6 percent and 5.2 percent in the USSR and Georgia, respectively; investment is the source of new capital

Table 2
Average Annual Growth of Comparative
Economic Indicators, 1973-81^a

Percent

	USSR	Azerbaijan	Georgia ^b
Net material product			
Output	4.9	8.0	7.7
Inputs	3.7	4.9	3.1
Labor	1.1	2.4	0.6
Capital	7.8	6.7	7.0
Productivity	1.1	2.9	4.4
Industry			
Output	5.4	8.9	8.0
Inputs	4.5	4.0	4.2
Labor	1.4	2.7	1.9
Capital	8.0	5.9	7.6
Productivity	0.9	4.7	3.7
Agriculture			
Output	1.4	9.3	5.9
Inputs	2.6	4.9	2.4
Labor	-0.9	2.5	-0.3
Capital	8.1	8.6	6.5
Productivity	-1.2	4.2	3.4

^a Official Soviet data.^b Data are for 1973-80.

and the latest technology. The largest difference in this comparison of economic indicators was in productivity growth. The rates achieved both in Azerbaijan and Georgia exceeded those of the USSR by a wide margin.

Available statistics do not entirely explain the reasons for the increase in productivity. Major factors probably were the ability of the fledgling sectors in Azerbaijan to borrow new technologies from the more established industries in the rest of the country and a better use of agricultural land. The growing gap between the USSR and Azerbaijan in the productivity growth rate may be due to the unimportance to

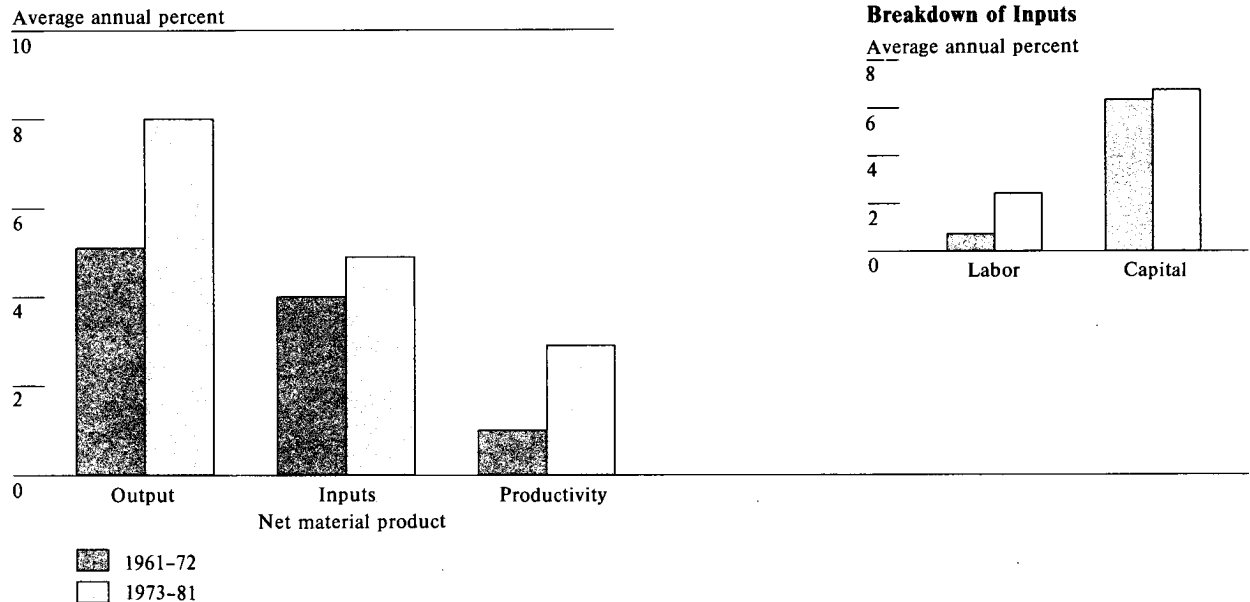
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Figure 2
Azerbaijan: Sources of Growth^a



^aOfficial Soviet data.

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Azerbaijan of many of the sectors that were the major cause of the slowdown in total Soviet industrial production in the late 1970s, such as ferrous metallurgy.

Concurrent with these changes in growth rates was a major change in the structure of the Azerbaijani economy. The shares of output contributed by industry and agriculture hardly changed, but radical structural shifts occurred within both. In agriculture (see figure 3), cotton remained the largest crop (measured by value of output) throughout the 1960-80 period, but grape production nearly equaled it by 1980, and grain decreased to a relatively minor share. In industry (see figure 4), the shifts were even more dramatic in the Aliyev years. The contribution of fuels to gross output fell as oil output declined; it would have fallen

even more but for the growth of natural gas production and the production of refined oil products based partially on oil extracted outside of Azerbaijan. The food industry took over first place with light industry a close second, while the machinery sector also grew rapidly. The growth of food and light industries clearly reflected the surge in agricultural production.

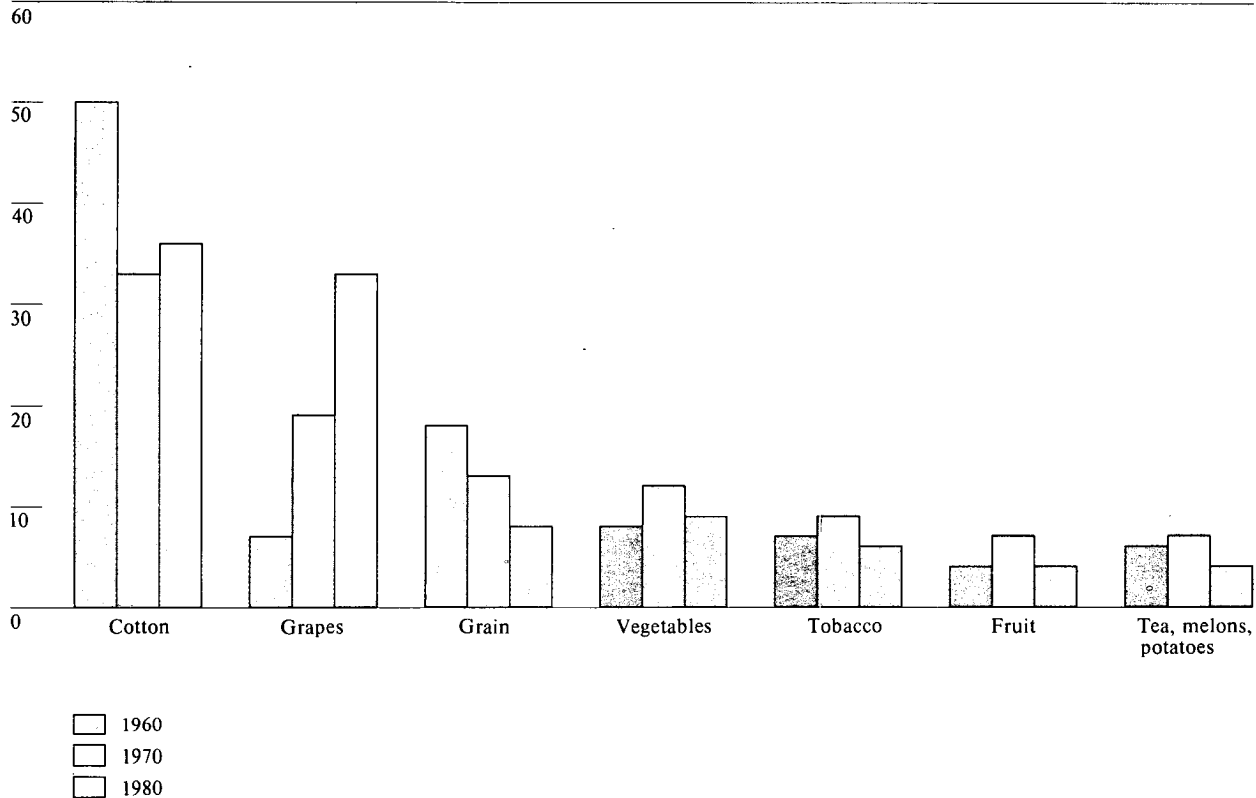
Four major factors, then, figure prominently in Azerbaijan's impressive economic performance during the Aliyev years:

- A steady stream of new entrants into the labor force caused by a traditionally high birth rate, in marked contrast to the dip in the national rate of growth of the labor force.

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Figure 3
Azerbaijan: Structure of Crop Production^a

Percentage shares of estimated crop value



^aOfficial Soviet data.

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- Success in at least maintaining its investment growth while the national rate of investment growth declined.
- A remarkable boost in factor productivity, the most distinguishing feature of Azerbaijan's growth.
- Structural changes—resources were increased more in those sectors with higher rates of productivity growth (machinery, light, and food industry) than in those with declining productivity (particularly oil).

Aliyev's Strategy and Style of Leadership

Regional leaders in the Soviet Union can and do influence decisions made at the national level as well as those made in their localities. A strong regional party leader, then, has it within his power to affect the major determinants of economic growth outlined in the preceding section:

- **Investment.** Allocations of investment resources by the central party and government leadership depend not only on economic considerations but also on the lobbying expertise of the regional leadership.

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Figure 4
Azerbaijan: Structure of Industry^a

Percentage shares of gross output

35

30

25

20

15

10

5

0

Fuels

Machinery

Chemicals

Light industry

Food industry

1965

1970

1980

^aOfficial Soviet data.

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- **Productivity.** Among the key factors are better organization, discipline, and management—variables that can be manipulated by a party leader.
- **Structural Change.** This kind of decision is usually expected from the central economic leadership, but the pace and success of implementation can be influenced by regional authorities.
- **Labor Supply.** Local policies can affect this factor. In Azerbaijan, however, the basic source of labor force growth was natural increase long before Aliyev became party leader.

These determinants of economic growth were affected by three major initiatives that were introduced by Aliyev during his tenure:

- A massive, prolonged campaign to root out corruption.
- A series of moves calculated to build the national leaders' confidence in him and his republic.
- An effort to fully understand the daily operation of the Azerbaijani economy and an insistence that local party and government officials exert strict control over their areas of responsibility.

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Fighting Corruption. Before Aliyev became First Secretary, the party was permeated with corruption and unable to exert much control over the badly lagging economy. According to a book published by an emigre who was an official of the republic's party apparatus, in mid-1969 Aliyev, then Chief of the KGB in Azerbaijan, revealed to Brezhnev the true extent of this corruption by showing him secret files. Aliyev reportedly did this at the urging of USSR KGB First Deputy Chairman Semen Tsvigun.³ Brezhnev became convinced that a radical housecleaning was necessary, and Aliyev was rewarded with the republic's top post in July 1969. [redacted]

Aliyev began immediate public revelations of corruption and shortcomings, and by early 1971 he had purged almost the entire top leadership in the republic. Charges of flagrant corruption and illegality were directed largely at low-ranking officials, while public statements about top leaders were handled with more finesse and were usually confined to accusations of poor leadership and laxness. According to the emigre's account, Aliyev relied mainly on KGB cadres to replace the disgraced officials. Rampant corruption continued, however. In 1973 another purge began, including that of some former KGB men who had been brought in by Aliyev. The emigre explained that these officials were well disciplined and honest while in the KGB but quickly succumbed to temptation when put into prominent party and government positions. [redacted]

Aliyev's commitment to the anticorruption drive became his trademark. His speeches to party gatherings were rife with detailed accounts of officials who had erred and been harshly punished. Aliyev's report to a plenum on errors in cadre selection in July 1975 was typical, filling five pages of the local newspaper with new denunciations. On this occasion alone he announced the firing of nine rayon party first secretaries, five republic ministers, and the second secretary of the Baku City Party Committee. [redacted]

Aliyev publicly demanded not only that his key personnel be free of corruption but that they subject themselves to unusually rigorous standards designed

³ Tsvigun allegedly was an in-law of Brezhnev's wife and had been head of the Azerbaijan KGB until 1967 when he moved to Moscow and was succeeded by Aliyev. [redacted]

to minimize temptation. In an interview published in a Soviet literary journal, Aliyev revealed that the families of republic Central Committee members and those of equivalent rank were no longer permitted to receive scientific degrees at the level of candidate or higher⁴ and were prohibited from owning private cars and dachas. [redacted]

Aliyev seems to have generally adhered to his own high standards. There is no evidence that he was enriched by his high office or that he gained undeserved privileges for his family or friends. His major fault apparently lay in trying to curry favor with his superiors. [redacted]

Aliyev's focus on corruption in Azerbaijan—although undoubtedly politically important—probably reflected his perception that it was an obstacle to economic progress. He spoke about this on numerous occasions. In an interview published in an April 1980 *Soviet Life*, a magazine disseminated in the United States, Aliyev identified moral decay as the root of his republic's economic problems. He admitted that there were unsolved economic problems but "behind these 'purely economic' matters is the problem of the ideological and moral education of the people." [redacted]

When his colleagues finally realized that his intent to deal harshly with corruption was serious, Aliyev's strategy began to pay economic dividends. Although the effects of his efforts are not measurable, we think they contributed to the large boost in factor productivity. [redacted]

Building Confidence. Moscow's economic interest in Azerbaijan before Aliyev's appointment related mostly to oil and allied industries. Structural changes to achieve a more balanced economy had been planned in the 1960s, but local authorities were slow to implement them. Aliyev apparently realized that, to continue to receive the needed funds, he had to

⁴ Degrees were highly coveted because of the resultant perks and prestige and were often obtained through illicit means. [redacted]

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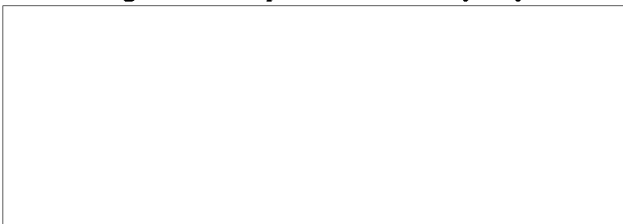
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convince Moscow that his republic was worth the investment and that the allocations would not be squandered. [redacted]

His anticorruption campaign was the first step in building the central leadership's confidence in him. At the same time he began to acknowledge publicly the republic's economic shortcomings. For example, in an early speech published by the local press in August 1969, he admitted that "labor productivity is rising very slowly." (One month earlier at a session of the Supreme Soviet, V. Yu. Akhundov, the former first secretary, had assured his audience that "the process of growth in labor productivity is going forward intensively.") Aliyev's candid self-criticism reportedly shocked his colleagues but was doubtless viewed in Moscow as a healthy sign that the Azerbaijani leadership was ready to assess the situation realistically and move forward. [redacted]

Next, he petitioned for help from the central government in planning the economic recovery, requesting technical guidance from the USSR Council of Ministers and Gosplan. He also petitioned for additional resource allocations and was careful to pay continuous homage afterward to Moscow's beneficence and to "the great personal attention of Leonid Il'ich Brezhnev." This assistance was formally recorded in five major central party-government decrees during the Aliyev years—unusual attention for a single republic (see inset). [redacted]

Aliyev's behavior bordered on sycophancy—a common practice in the Muslim areas of the USSR—but probably helped to cultivate his superiors' confidence in him. His elaborate praise of Brezhnev went unrivaled by party chiefs in other republics, and, as noted, Aliyev's gifts to Brezhnev and his entourage were reportedly lavish. Brezhnev no doubt welcomed such blatant support at a time when he was trying to consolidate his power. Two other valuable contacts in Moscow for Aliyev were KGB First Deputy Chairman Tsvigun and Gosplan chief Nikolay Baybakov.



**USSR Central Committee-Council of Ministers
Decrees on Azerbaijan, 1970-79**

1970	Two Central Committee-Council of Ministers decrees on measures for developing the Azerbaijani economy. [redacted]	25X1
1975	Central Committee-Council of Ministers decree on the further development of Azerbaijan's agriculture. [redacted]	25X1
1976	Central Committee decree on measures to develop the most progressive sectors of Azerbaijan's industry. [redacted]	25X1
1979	Central Committee-Council of Ministers decree on measures to develop agriculture and winemaking in Azerbaijan. [redacted]	25X1

Learning the Ropes. Aliyev came to his job with no firsthand economic knowledge. His university degree was in history, and his entire career before 1969 was with the KGB. His first speeches were devoted solely to corruption and criticism of economic failings, but he soon became more familiar with the economy and began to make positive recommendations. He apparently determined early that knowledge of the republic's economic situation was necessary not only to set a good example but also to serve as a warning that incompetent cadres would be unable to hide behind their boss's ignorance. [redacted]

He adopted a high-visibility profile. Local press reports of his speeches and appearances were far more frequent than those of his counterparts in other republics. He apparently enjoyed contact with the people and, [redacted] was well liked by most of them because they believed that he genuinely cared about their welfare. He talked at length about the need to improve health, education, and personal services. [redacted]

[redacted]

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Aliyev's philosophy of economic management was simple; it can be summed up as strong supervision, discipline, and good cadre selection. He demanded that his subordinates be well informed and held them accountable for performance in their sector. He condemned the slipshod, flaccid management style he claimed had become common during the time of his predecessor. He expressed particular contempt for the republic Gosplan which he accused of "feeble knowledge of the true state of affairs in certain branches of the economy" and adapting itself to "willful directives" from the former republic leadership. He often complained about the "incorrect practice of systematic downward revision of confirmed plans." He only rarely delved deeper into the economy's systemic weaknesses, and, unlike other regional leaders, he did not originate or even closely associate himself with economic experiments in organizations and management. [REDACTED]

Moscow's Perception. The leadership in Moscow was obviously impressed with Aliyev's ability to boost Azerbaijan's economic performance. In 1976 Aliyev became a candidate member of the Politburo. His selection was a sign of his good standing with the leaders in Moscow because, traditionally, the Georgian party leader had occupied the Transcaucasus' slot in the Politburo. Also in 1976, Aliyev became a Hero of Socialist Labor, on neither a birthday nor any other occasion when such honors are customarily awarded. The title was presented for his accomplishments in the economy, notably agriculture, and Brezhnev declared that Aliyev had proved himself to be an exemplary leader. [REDACTED]

During Aliyev's tenure, Brezhnev visited Baku three times—in 1970, 1978, and 1982. On the last occasion, Brezhnev paid tribute to Azerbaijan's continuing outstanding economic achievement and the campaign to stamp out corruption, which he linked directly to Aliyev's leadership. Recent books by other leaders—including Premier Tikhonov and party secretary Chernenko—also mention Aliyev's contributions to his republic's growth. [REDACTED]

Transferability of Aliyev's Leadership Style and Experience

Aliyev's style of leadership seems to have had a positive influence on his republic's economic success

story. Some aspects of his approach to economic problems may be transferable to the Council of Ministers, while others may be irrelevant to national problems. Although evidence so far indicates that he has received only the transportation account, we assume that his ultimate responsibilities could be more wide ranging. [REDACTED]

Many of Aliyev's personal attributes will serve him well in his new assignment at the national level. His talent for organization and administration, his thoroughness, and his demand for discipline and control in himself and his subordinates would make him an effective member of the Council of Ministers. Second, his long experience in fighting corruption and incompetence seem tailor-made to bolster Andropov's campaign for discipline. In fact, there are strong similarities between Andropov's and Aliyev's tactics and personal images. Both men have said that this campaign is a necessary first step toward improving the economy, and both have used a heavyhanded, blunt approach at the beginning of their regimes. Both also have projected an image of personal incorruptibility, free of cronyism. Third, Aliyev's shrewd political sense—evidenced by his success in lobbying for resources for Azerbaijan and his ability to exploit the weaknesses of subordinates—should come in handy in the inevitable power plays within the Council of Ministers. [REDACTED]

Most of Aliyev's specific experience, however, seems ill suited to the national level. First, the Azerbaijani economy is more like that of a Third World country than that of the Soviet Union:

- Azerbaijan, Muslim in culture, still has a high birth rate and a rapid growth in the labor force. The republic leadership does not share Moscow's problem—how to conserve scarce labor resources. In fact, Aliyev has in the past resisted Moscow's attempts to redistribute labor from areas with a labor surplus, such as Azerbaijan, to Siberia and has argued instead for increased investment in labor-intensive industries in Azerbaijan.

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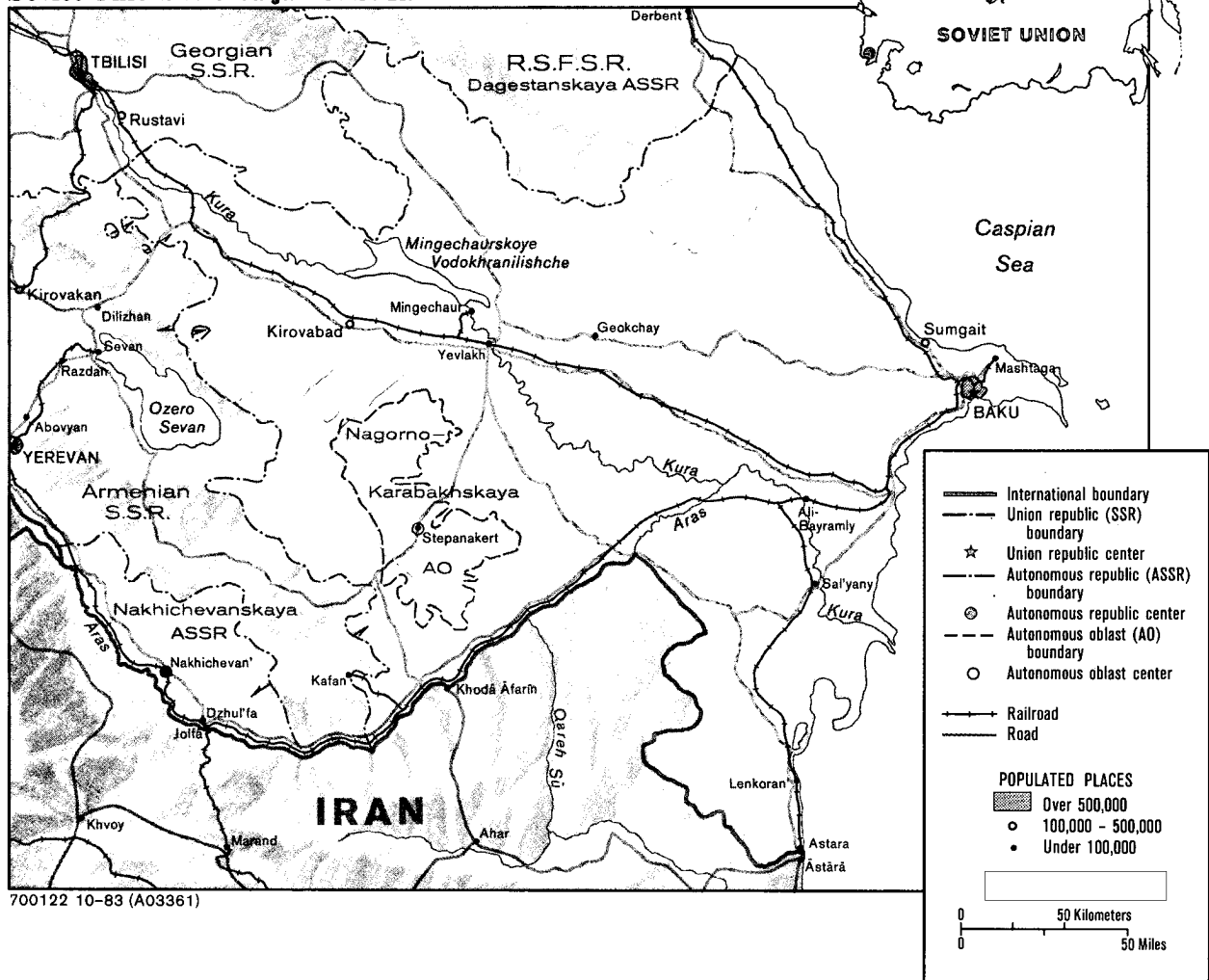
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Figure 5
Soviet Union: Azerbaijan S. S. R.



- Azerbaijan faces the continuing problem of how to encourage people to move off the farms and into towns and cities so that they can be used in the industrial labor force. This was accomplished some time ago in the European USSR, where the problem has become how to keep skilled labor on the farms.
- Azerbaijan has only recently begun to change the structure of industry from the primary sector (oil) to a more diversified manufacturing sector, a familiar pattern in the less developed countries (LDCs). The national economy, by contrast, is well diversified with technologically advanced manufacturing sectors.

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- Azerbaijan's subtropical climate has resulted in the production of grapes and cotton, the latter grown solely on irrigated land. This contrasts sharply with the USSR's concentration on the production of grain and livestock, both heavily dependent on good weather.
- Azerbaijan's standard of living is poor, even by Soviet standards. In a recent study of living standards in the 15 republics, a US scholar compared relative levels of per capita consumption and placed Azerbaijan almost at the bottom of the scale, above only Tadzhikistan in Central Asia. In a comparison of international figures for per capita consumption, Azerbaijan was on a level with Iran while the Baltic republics approached the levels of Hungary and Italy. [redacted]

More specifically, Aliyev has not been forced to confront the kind of economic problem that the Soviet leadership now faces—making a successful transition from extensive (increased inputs) to intensive (productivity) growth. Azerbaijan has been blessed with an ample supply of economic inputs and has not experienced a stubborn decline in the growth of factor productivity. Perhaps because of these conditions, Aliyev has paid little attention to the economy's systemic weaknesses. Unlike the speeches of other regional leaders—Romanov (the former Leningrad Oblast party chief), Shcherbitskiy (Ukraine) and Shevardnadze (Georgia)—Aliyev's speeches reveal shallowness and a lack of innovative ideas about ways to improve the economic mechanism. [redacted]

The Political Factor

Aliyev's political status will largely determine his influence in his new job and the likelihood of his advancement to premier. [redacted]

[redacted] Whether Aliyev can be considered a Brezhnev appointee or "Andropov's man" is central to this discussion. [redacted]

According to one view, Aliyev was promoted by Andropov and probably will eventually replace Tikhonov as premier. It is logical that Andropov would need clients, and Aliyev's KGB background would appear to establish a tie between the two men.

Rumors, relayed by some official and unofficial Soviet contacts of US Embassy officers and academics, moreover, indicated that Aliyev had switched his allegiance to Andropov in May 1982 when Andropov entered the Secretariat. Aliyev had become convinced, so the story goes, that a job in Moscow was necessary to save his political career because of two events—the death and disgrace of his apparent patron, Tsvigun,⁵ and the realization that the battle against corruption in Azerbaijan would be unwinnable. For Andropov, these sources asserted, this alliance was beneficial because Aliyev was known as a fighter against corruption and would be a valuable ally in pushing the campaign for discipline. [redacted]

The opposing view is that Aliyev belonged to the Brezhnev-Chernenko faction and that he is unlikely to replace Tikhonov as premier:

- [redacted] Chernenko proposed Aliyev as Andropov's successor in the KGB in May 1982, while Andropov backed the successful candidate, Vitaliy Fedorchuk, for the post.
- The 1982 edition of Chernenko's book on the party and state apparatus praised Aliyev's leadership in Azerbaijan.
- Brezhnev, [redacted] began to push Aliyev's candidacy for the Politburo following his visit in September to Baku, when the relationship between the two men was warm.
- Andropov, [redacted] accepted Aliyev's move but deflected him to the Council of Ministers rather than the Secretariat, the place for which Brezhnev had originally intended him.
- The promotion of Foreign Minister Gromyko, Andropov's ally, to First Deputy Premier last March appeared to undercut Aliyev's prominence in the government apparatus and his claim on Tikhonov's job. [redacted]

⁵ After Tsvigun's death in January 1982, his obituary was not signed by Brezhnev, reportedly because of an argument over the investigation of corruption involving Brezhnev's family. [redacted]

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The truth probably lies somewhere between these two extremes. It seems likely that Aliyev's nomination to a post in Moscow was the result of Brezhnev's backing and was in the works when Brezhnev died. Although Aliyev probably would not have been Andropov's first choice, the General Secretary may have believed that Aliyev's obeisance would allow him to easily transfer his loyalties to the new regime. Moreover, Aliyev's experience in directing a relatively successful discipline campaign would be immediately useful to Andropov. If this is a correct interpretation of events, then Aliyev probably now is in a testing period for loyalty and professional competence. [redacted]

Aliyev's Prospects

Aliyev can exert considerable influence in his current post, particularly if he can gain Andropov's confidence. Aliyev seems to have settled securely into the Council of Ministers, where his main portfolio appears to be transportation. The majority of his speeches since becoming First Deputy Premier have addressed this subject, and he was recently named a member of the high-level commission formed to investigate the Volga cruise ship disaster that occurred in June. [redacted]

Responsibility for transportation, while narrow, is of vital importance if the economy is to become more productive. Improving transport, in Andropov's view, is a priority. Andropov signaled his extreme dissatisfaction with the railroads in his first speech on economic matters last November, and, soon after, the Minister of Railways was fired. Andropov may believe that Aliyev's considerable managerial skills can be put to good use in this lagging and corruption-riddled sector. [redacted]

As one of Premier Tikhonov's first deputies, Aliyev has, in addition, been given some responsibility in addressing broader issues. At the Supreme Soviet session in mid-June 1983, Gromyko spoke on foreign affairs, while Aliyev was chosen to deliver the speech on domestic matters. He introduced the new law on labor collectives, a milestone for the Soviets because it defines the rights and obligations of workers and management; it was reportedly backed strongly by Andropov. Aliyev's introduction of this legislation may explain why the rumor is still circulating that he will be given the job of enforcing worker discipline. [redacted]

Aliyev's position in the leadership could be further strengthened by the increased prestige the Council of Ministers has seemingly gained under Andropov. At the end of Brezhnev's tenure, five Politburo members were in the Secretariat while only three were in the Council of Ministers. Now there are four members in each body. [redacted]

[redacted] under Andropov the governmental apparatus may be given more freedom from the party's interference. Andropov implied as much in his June speech to the Central Committee plenum when he talked about ensuring "a correct distribution of functions between the party and the state" and avoiding the duplication of state work by "party bodies." [redacted]

If the post of premier were to become vacant today, Aliyev's chances for promotion look slim because of his lack of economic expertise in the specific problems that plague the Soviet economy and his tenuous political power at the national level. Eventually, Aliyev may prove to Andropov that he can handle the job of premier. Aliyev may increase his economic expertise on the job as he did in Azerbaijan. He is a shrewd politician and may succeed in building political capital with the new Soviet leader much as he did with Brezhnev. Moreover, in recent Soviet history, the deputy chairman of the Council of Ministers moved up to become Premier. At present there are few obvious choices for this post. Two other possible contenders are Vladimir Dolgikh, party secretary for industry, and Vladimir Shcherbitskiy, Ukrainian party chief; both men have broad expertise and good reputations in economic management. However, Aliyev's Muslim background is a serious handicap. Traditionally, the Russian and Slavic bias of the Soviet elite has made it difficult for a member of an ethnic minority to assume the top government or party post. [redacted]

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